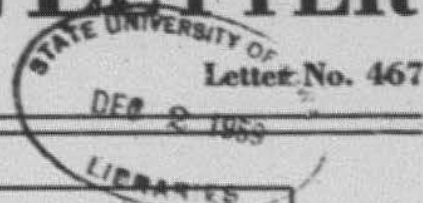


# ECONOMIC COUNCIL LETTER

November 15, 1959

1930 - 1959



## THE IDEAL CHRISTMAS GIFT— ECONOMIC COUNCIL LETTERS

For business associates, friends, clergymen, relatives, students, teachers.

They will welcome our stimulating, factual Council Letters.

Use the enclosed Christmas subscription slip with reduced rates.

## Our Government Is Subjugating Its People

Amendment IX to the Constitution of the United States says:

"The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people."

Amendment X says:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Presidents of the United States since 1933 have in important respects violated these provisions of the Constitution. They have by just so much brought the American people under unlawful government subjection.

For there has been a tendency under the Roosevelt, Truman and Eisenhower Administrations to take more and more control of government and of government policy away from the American people.

This is true in both domestic and foreign affairs. The trend has continued as much under the Eisenhower Administration as under the two former ones. In fact in some respects the tempo has been stepped up.

We don't mean that Mr. Eisenhower has consciously been a party to this. But government has grown vastly—is now doing so many things that no single mind can encompass them all. The President must of necessity depend upon others, many of them "liberals" or left-wingers with grandiose ideas about "one world"—and who know exactly

what they want. Since the President himself has never been a great reader, his knowledge of history is limited. The infiltration by world governmenters and even communists in the government has been great. Much has happened without Mr. Eisenhower realizing it, although a great measure of responsibility attaches to him.

There is not the slightest question that those, who from behind the scenes shape the course of government, are preparing to submerge America in a world government, which in all human probability will be directed and controlled from Moscow.

We point out a few instances of what we mean.

**E**VERY informed American knows that public spending and taxation have well-nigh burst all bounds in Federal, most State, and many local governments. In all three fields the spending in most cases has reached a point where it seems to grow by itself.

Now for several years past the Federal Government has brought its peace-time spending up to the level of the war years. Federal fiscal year 1959 had a deficit of more than \$12 billion.

New and gigantic expenditures are planned, or we have been committed to them. Example: the Narrows Bridge at New York, to cost some \$360 million—and no one knows how much more. Already the gigantic \$41 billion Federal highway plan has bogged down in recent months because

the actual cost will go far higher. There are the various schemes for Urban Renewal (See Council Letter 462) which will have the three-fold effect of spending new and additional sums, will give certain insiders the opportunity for huge rake-offs, and will end by taking power away from the States, the local governments and the people themselves.

**T**HERE has been no such decline in Federal spending since the Korean War as there was after World War II. If even the present level is maintained, freedom in America cannot survive. There would be almost no margin to allow us to bear the expense of another war—and there is a grave possibility we will become involved.

Most of those in our Government hold out little hope for the American taxpayer. Their view clearly is that the scale of public spending in future must keep up with the growth of national wealth, or as they are fond of saying, with the "gross national product."

All this means, as we said above, that America has at the present moment lost control of its own affairs. Their general drift is being shaped by hidden forces. Amendments IX and X, with all the safeguards they were meant to give, have been largely ignored.

**I**T is not only in spending and taxes that the hidden forces have been at work. The utterly uncalled for integration decision of the Supreme Court of the United States in May 1954 was carefully planned to create a discord that would add to the country's troubles. There is little doubt that the demand for that decision was communist-inspired, though perhaps none of the assenting Justices knew this was so.

It is common knowledge that down to 1954 relations between Negroes and Whites in the South had been improving steadily, though gradually, since the end of Reconstruction in 1877. Further and increasingly steady improvement in race relations could have been expected. But the integration decision, based as it was almost wholly on the writings of Gunnar Myrdal and other socialists, has not only stopped the upward trend of race relations in the South, but has reversed it.

The evil effects of this decision have extended to many parts of the country. In Washington, as is well known, thousands of White families have left the city for Virginia or Maryland. In New York City the same situation has taken place, and continues to take place, prompted by the narrow-minded vote-seeking eagerness of the Wagner Administration. There is trouble in Philadelphia and Chicago and in other cities.

During the past two years, a movement, com-

munist-inspired as was the Supreme Court decision, has started to persuade the various States to adopt what is called "Fair Housing" bills. The model bill was drafted by the National Lawyers Guild, which has long been under fire by the Attorney General of the United States. This bill (see Council Letter 460) would forbid any person owning a two-family house or larger housing unit to raise any question as to the race, creed, color or national origin of a prospective purchaser or tenant. The bill has already been enacted in four States, Connecticut, Massachusetts, Oregon and Colorado. It will be pushed in all States, according to the National Lawyers Guild. Governor Rockefeller of New York has committed himself wholeheartedly to it.

**Yet what this Bill does is to insure to people of other races than white that they may rent or buy wherever they please, while in effect refusing to white Americans the right to choose their neighbors and tenants.**

No wonder this scheme is causing discord. And our cheap ambitious politicians are not hesitating to use it with the hope of gaining votes.

**S**IMILARLY certain Supreme Court decisions affecting communism could hardly have been more pro-communist if they had been written in the Kremlin itself. State Legislatures have been refused the right to investigate communism on the ground that the Federal Government has reserved that to itself (which simply is not true). Convictions under the Federal Smith Act have been reversed and convicted communists freed. The Court has ruled that the State Department cannot refuse passports to communists.

It is hard to see how anything could cause greater dismay to persons who recognize the communist danger, or create greater confidence in the hearts and minds of communists, than these decisions.

But that is just what these decisions were intended to accomplish—not necessarily by the Supreme Court, but by the communist infiltrators who inspired them.

**W**E said above that the tendency has been to take control of their own government away from the people. The actions such as Roosevelt's recognition, entirely on his own, without Senate approval, of the Soviet Government in 1933, or the Supreme Court decisions above cited, were in most cases the actions either of officials exceeding their proper authority (as in Roosevelt's case) or by appointed officials.

Due to the immense power concentrated in government, especially the Federal Government, the people seldom have the opportunity to speak up.

But they did have this opportunity in a proposed \$500 million bond issue for schools which was overwhelmingly defeated at the polls in New York State at the election on November 3.

New York City, like many municipalities, and more than most, has been spending money with a profligate hand. New York City's high taxes and the race decisions have driven tens of thousands of people out of New York. New York City's education, with shining exceptions, has included most of the frills of "progressive" education under which now for two or three decades graduates of high schools have in many cases not even learned to read and write adequately.

So the City Administration decided to propose this bond issue, over and above all other funds already available. Here was a chance for the people to speak. Five hundred millions of fresh money would have been a shot in the arm for a continuance of the wasteful, harmful Administration which New York City has been under for many years.

But by an overwhelming vote the people killed it at the polls.

**S**O much for domestic affairs. In foreign relations the situation has been at least as bad and probably worse.

We refer particularly to the effect of the defeat of the Bricker Amendment in 1955. This Amendment was introduced in the Senate on the opening day of the 84th Congress by sixty-four Senators. That was enough to insure the necessary two-thirds vote, had all of them stuck. But, President Eisenhower, who at first truthfully said that under the Constitution the President plays no part in the amending process, later reversed himself and went all out to defeat this Amendment. And it was defeated—by a single vote.

The original Bricker Amendment reads as follows:

## REPORT FROM EUROPE

**P**ARIS, November 1, 1959: A few weeks spent in Europe just at this time are especially revealing. The Khrushchev visit is one of the first topics raised by men and women in practically all ranks of life.

Britain is so taken up with her return to prosperity—a prosperity more widely enjoyed among the British people than perhaps ever before—that they are understandingly optimistic. For most of them, just at the moment, there are few problems ahead; though some men see plenty.

The Parliamentary elections in early October

"Section 1. A provision of a treaty or other international agreement which conflicts with this Constitution, or which is not made in pursuance thereof, shall not be the supreme law of the land nor be of any force or effect.

"Section 2. A treaty or other international agreement shall become effective as internal law in the United States only through legislation valid in the absence of international agreement.

"Section 3. On the question of advising and consenting to the ratification of a treaty the vote shall be determined by ayes and nays, and the names of the persons voting for and against shall be entered on the Journal of the Senate."

Treaties have always been subject to ratification by the Senate. President Theodore Roosevelt, early in the century, created a bad precedent when he effected an important deal with another country and called it an "executive agreement." For the first time in our history the Senate was by-passed in such a matter by a determined President. And this executive agreement idea prevailed. The Senate didn't have the wisdom and fortitude to challenge it. The same process was used by F.D.R. in the Teheran, Yalta and Potsdam Conferences.

Until something very like the Bricker Amendment is adopted, the Administration, advised by such men as Milton Eisenhower, Paul Hoffman, Charles Bohlen and others, will have the power to sell this country completely out either to a world government or to Soviet Russia, itself. And the trend seems to be steadily in that direction.

It is not too late to remedy this evil, though it is very late.

All that is needed in order to preserve American freedom under the Constitution is for a handful of wise, influential and dedicated men and women in every Congressional District, and in every State, to determine that their Representative and their two Senators shall actively work and fight in their respective Houses to stop this trend.

For the Congress of the United States is all-powerful.

were both a reflection of the rising prosperity and a real blow to socialism. There would seem to be danger, however, in the fact that Macmillan and many of his associates appear to think that they can co-exist with Communism.

**I**N Germany, economic activity continues at an accelerating rate. In the fourteen short years since 1954, Germany has become easily the most prosperous and vigorous country in Europe. The prosperity is a tribute to the skill of the German worker, and his willingness to work hard—together



with the willingness of business executives to borrow huge sums of money at high rates of interest for long periods of time—and to stay almost indefinitely on the job.

Though many Germans at first feared Khrushchev's visit to America, I found later many of them had modified their attitude. They admitted they did not know what Eisenhower and Khrushchev had talked about those last three days at Camp David. But they said that if Hitler had known the strength of America he never would have undertaken war. For the same reason, Khrushchev, having seen America and received some impression, at least, of America's might, would now be somewhat less willing to push the West, and particularly America, too far.

Then, of course, I found a growing feeling that perhaps Khrushchev may some time need Western support in the face of possible hostility of Red China toward Russia.

Only a few of the Germans with whom I talked had any knowledge, or any willingness to show they had that knowledge, about the rather mysterious Istanbul conference last September. This conference of some 80 or 100 men, representing a dozen or fifteen countries of the West, was one of that series of which the conference at St. Simon's Island in Georgia was one of the earlier ones. The subject of the Istanbul conference was aid to underdeveloped nations. It is rather significant that President Eisenhower, speaking in Abilene, Kansas, on October 12, advocated that what America could save in reduction of armaments should be used to aid underdeveloped nations. Quite possibly the hint for this address came from the Istanbul conference.

Clearly, American taxpayers are to get no break. In the Soviet sector of Berlin, things are im-

proving. They had not improved much the last time I visited there in 1955. Of course, compared with the bustling activity of West Berlin, East Berlin is still largely in ruins. But there has been some reconstruction, and more is under way. I saw more automobiles; in 1955, there were practically none. I was told most of the automobiles now going there are from the Western sector. I even saw an occasional smile on the faces of some persons in the Eastern sector. I saw no smiles whatever four years ago.

Refugees still continue to cross the border at Berlin at the rate of more than 300 per day. East Germany must be sadly weakened by its loss of skilled workers and professional men who turned their backs on East Germany—leaving everything behind them, of course, that they could not personally carry with them.

**I**N France, under De Gaulle, there is a feeling of confidence that has not existed in years. Probably no Frenchman but De Gaulle, who had been quietly watching events for many years in semi-retirement, could have gained the confidence he has gained. He is the best bet France has had, in at least a century, to restore France to the position of a first rate power.

Altogether, from my glimpses and conversations, I would say that Western Europe, outside the Iberian Peninsula, has long since ceased to need any aid from America. First Germany, and then France, has cast aside the dead hand of socialism. In Germany, in particular, private enterprise is the watchword of the day.

*Merwin K. Hart*

President,

**NATIONAL ECONOMIC COUNCIL, Inc.**

---

*This Council Letter may be quoted in whole or part provided due credit is given to the National Economic Council, Inc., Empire State Building, New York 1, N. Y., and quotation is specified to be from Economic Council Letter 467, November 15, 1959.*

---

NATIONAL ECONOMIC COUNCIL, INC., established in 1930, is a non-profit, non-partisan membership corporation organized under New York State law. It publishes the semi-monthly ECONOMIC COUNCIL LETTER and occasional ECONOMIC COUNCIL PAPERS.

OFFICERS: President, Merwin K. Hart. Executive Vice President, Constance G. Dall. Vice Presidents: Lt. Gen. P. A. del Valle, U.S. M.C., retired; Vice Adm. C. S. Freeman, U.S.N., retired; Earl Harding, George S. Montgomery, Jr., Dr. Elwood Rowsey, A. Margaret Schmid, Ora A. Taylor; Secretary, McKay Twombly; Assistant Secretary, Sibylla Schilling; Treasurer, Baird Parks.

Subscription \$10 a year, \$6 for six months, \$3.50 for three months. Special rate for student or teacher \$5 a year.  
Air Mail Subscription (domestic) \$12.00 a year, Air Mail (foreign) \$15.00 a year.

**EXTRA COPIES of this Council Letter 15c each (8 for \$1), \$9 per 100, \$50 per 1,000.**

Special prices will be quoted for larger quantities. Please add 3% sales tax for deliveries in Greater New York and 4% shipping charges on quantities of 100 or more.

**National Economic Council, Inc., Empire State Building, New York 1, N. Y.**  
**903 First National Bank Bldg., Utica 2, N. Y.**